

PRESS RELEASE

Internal Revenue Service - Criminal Investigation Chief Richard Weber

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Criminal Defense Attorney Sentenced to Prison for Tax Evasion

Evaded Payment of Approximately \$1 Million in Income and Employment Taxes

A Louisiana criminal defense attorney was sentenced to 30 months in prison today for tax evasion, announced Acting Deputy Assistant Attorney General Stuart M. Goldberg of the Justice Department's Tax Division.

According to documents filed with the court, Michael Thiel, 66, a resident of Baton Rouge, Louisiana, operated a criminal defense practice in Hammond, Louisiana. Despite earning substantial income through his law practice, Thiel evaded paying approximately \$1 million in income and employment taxes, including interest and penalties. From 2003 through 2013, Thiel did not timely file income or employment tax returns and did not make timely payments of the taxes he owed. Though Thiel had the ability to make payments towards his tax obligations, he concealed his income and assets using trusts and nominees. In 2001, he created the Thiel Family Trust, of which he was the beneficiary, fiduciary and trustee. He created two additional trusts in 2008 in the names of family members.

Thiel used these three trusts to evade the payment of federal income and employment taxes. In January 2007, Thiel used nominees to purchase his primary residence for \$435,000 and entered into a phony lease agreement with the nominees to conceal his ownership of the property and shield it from IRS collection efforts. Between January 2007 and January 2014, Thiel deposited \$416,283 into the nominee account that was used to secure and pay the mortgage on the property. These funds came from the nominee trusts and other accounts not held in his name.

"Today's sentencing of Michael Thiel is a strong reminder that payment of individual and business taxes is an obligation, not a choice," said Chief Richard Weber of Internal Revenue Service Criminal Investigation (IRS-CI). "When Mr. Thiel made the decision to evade paying taxes for himself and his business, he also made the decision to cheat his employees and other honest taxpayers. Investigation of employment tax fraud is a priority for the special agents of IRS-CI as our system of taxation depends on everybody

paying their fair share."

"As a result of today's sentence, criminal defense attorney Michael Thiel's decade-long effort to evade paying his income and employment taxes is over, and he will begin serving time in prison," said Acting Deputy Assistant Attorney General Goldberg. "Each April, the vast majority of Americans follow the tax law and pay their fair share. They have the right to expect that taxpayers who spurn these obligations will be held fully to account -- no matter their profession, wealth or position in the community."

In addition to the term of prison imposed, Thiel was ordered to serve two years of supervised release and to pay restitution to the IRS in the amount of \$998,352. Thiel pleaded guilty in December 2016 to evading the payment of federal income and employment taxes.

Acting Deputy Assistant Attorney General Goldberg commended special agents of IRS-CI, who conducted the investigation, and Assistant Chief Todd A. Ellinwood and Trial Attorney Michael Hatzimichalis of the Tax Division, who prosecuted the case.